

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

State Aviation Policy – Development of Aviation Sector in the State of Andhra Pradesh - Reimbursement of Sales Tax (VAT) on Aviation Turbine Fuel to M/s. Kingfisher Airlines Ltd., Hyderabad – Sanction – Accorded – Orders – Issued.

INFRASTRUCTURE AND INVESTMENT (PORTS.II) DEPARTMENT

G.O.Ms.No.1

Dated:3-1-2009
Read the following

- 1) G.O.Ms.No.137, TR&B (Ports) Dept., Dt. 23.9.2004
- 2) G.O.Ms.No.143, TR&B (Ports) Dept., Dt. 30.9.2004
- 3) G.O.Ms.No.254 TR&B (Ports.II) Dept., Dt. 22.11.2005
- 4) From the Station Accountant, M/s.Kingfisher Airlines Ltd. Hyd. Lr.No.- Nil- Dt. 11.8.2008
- 5) From the Managing Director, A.P. Road Development Corporation, Hyderabad, Lr. No.1233/VAT/Kingfisher Airlines/AO/A1/2007, Dt.30.10.2008
- 6) G.O.Rt.No.4931 Finance (Expr.PW) Dept., 24.12.2008

ORDER:

In the G.Os 1st and 2nd read above orders were issued for giving concessional rates on Sales Tax (VAT) on Aviation Turbine Fuel (ATF) for the Airlines as indicated below:

- a) **For Airlines operating more than 140 flights per week from Hyderabad, they will get 25% of the tax reimbursed.**
- b) **For the Airlines operating 100-139 flights per week from Hyderabad the reimbursement will be 15%.**

2. It was ordered therein that the Airlines shall pay the Sales Tax on ATF @ 30.55% on their purchase as required under APGST Act 1957. The reimbursement of concession admissible under item 1 and 2 above will be made immediately on receipt of the application from the Airlines along with required documentary evidence for the payment of Sales Tax to the Government as per the mechanism prescribed by the Government. There will not be any reimbursement from out of Turn Over Tax to be levied and collected.

3. In the letter 4th read above, the Station Accountant, M/s.Kingfisher Airlines Ltd., Hyderabad while enclosing relevant certificates, has informed that the Kingfisher Airlines Ltd., Hyderabad is operating currently more than 100 flights a week and fulfilled the criteria laid down in the G.Os 1st and 2nd read above for availing 15% reimbursement on Sales Tax (VAT) which worked out to Rs.1,71,72,529/- and requested to release the payment at the earliest.

4. The Managing Director, A.P. Road Development Corporation, Hyderabad while furnishing the relevant documentary evidence as prescribed in G.O. 3rd read above, has informed that the Asst. Commissioner (CT) and Airport Authorities were addressed to confirm the certificates submitted by M/s.Kingfisher Airlines Ltd., Hyderabad towards their claim for reimbursement of Sales Tax (VAT) of 15% on ATF for the period from 1.10.2007 to 10.2.2008 and in turn the Asst. Commissioner (CT) has confirmed the certificate issued by him for reimbursement of Rs.1,71,72,529/-. The Managing Director, A.P. Road Development Corporation, Hyderabad has also stated that the Airport authorities have confirmed the number of flights operated on weekly basis during the period from 1.10.2007 to 10.2.2008 and the same has been verified and found correct.

(pto)

5. The Managing Director, A.P. Road Development Corporation, Hyderabad has therefore stated that M/s.Kingfisher Airlines Ltd., Hyderabad is eligible for the reimbursable amount of 15% on Aviation Turbine Fuel on Sales Tax (VAT) for the period from 1.10.2007 to 10.2.2008 for Rs.1,71,72,529/- in terms of orders issued in G.O.Ms.No.137 TR&B (Ports) Dept., Dt.23.9.2004, G.O.Ms.No.143 TR&B(Ports.) Dept., Dt.30.9.2004, G.O.Ms.No.162 TR&B (Ports.) Dept., Dt.5.11.2004 and G.O.Ms.No.254 TR&B (Ports.) Dept., Dt.22.11.2005.

6. Government, after careful examination hereby sanction an amount of Rs.1,71,72,529/- (Rupees One Crore Seventy One lakhs Seventy Two Thousand Five hundred and Twenty Nine only) to M/s.Kingfisher Airlines Ltd., Hyderabad which is the last and final claim in terms of orders issued in G.O.Ms.No.16 Infrastructure and Investment (Ports.II) Dept., Dt.24.4.2008. The Managing Director, A.P. Road Development Corporation, Hyderabad is requested to make the payment based on the documentary evidence from the Director of Air Ports, Hyderabad regarding number of flights operated in a week of particular airlines and certificate from the Commissioner of Commercial Taxes regarding payment of Sales Tax by the concerned Airlines paid to the Oil Companies from where they have purchased the Aviation Turbine Fuel and the portion of Sales Tax reimbursable to the extent of 15%.

7. The Managing Director, A.P. Road Development Corporation, Hyderabad is also directed to draw and disburse the amount to M/s. Kingfisher Airlines Ltd., Hyderabad under intimation to Government duly debiting the expenditure as sanctioned at para 6 above by way of reappropriation as ordered in G.O.Ms.No.4750, Fin.(BG.II) Dept., Dt. 10.12.2008, to "3053 Civil Aviation – 80-General MH-800 Other Expenditure – SH-(05) Assistance to AP Road Development Corporation towards reimbursement of Sales Tax on Aviation Turbine Fuel – 310-Grants in Aid - 312 – Other grants in Aid".

8. This order issues with the concurrence of Finance (Expr.PW) Dept, vide their U.O.No.34547/1674/A2/Expr.PWD/-08, Dt.24.12.2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

MANMOHAN SINGH
SECRETARY TO GOVERNMENT

To
The Managing Director,
Andhra Pradesh Road Development Corporation Hyderabad
The Director, Begumpet Airport, Hyderabad
The Director of Treasuries & Accounts, Andhra Pradesh, Hyderabad.
The Dist. Treasury Officer/Pay & Accounts Officer, Hyderabad Dist. Hyderabad.
The Prl. Accountant General (Audit-I) Andhra Pradesh, Hyderabad.
The Finance (Exp.PW/BG.II) Dept.
Asst. Secretary to Government & D.D.O. Infrastructure and Investment Dept.
Copy to:
.The P.S., to Chief Secretary to Govt.
The P.S., to. Secretary, I & I Dept.
The P.S., to Spl. Secretary to C.M
Sf/Sc.
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// Forwarded :: By Order //

SECTION OFFICER